

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.,) Case No. 01-01139 (JKF)
) (Jointly Administered)
Debtors.) Docket No. 9062 and
) 12/19/05 Agenda Item 3

**ORDER APPROVING THE SETTLEMENT AGREEMENT
WITH INTERCAT, INC.**

Upon consideration of the *Debtors' Motion for an Order Approving the Settlement Agreement with Intercat, Inc.* (the "Motion"); and due and proper notice of the Motion having been given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; and after due deliberation and sufficient cause appearing therefore:

IT IS HEREBY ORDERED, FOUND, AND DETERMINED THAT:

1. The Motion is granted.
2. The confidential Intercat Settlement,¹ as described in the Motion, is hereby incorporated herein and approved in all respects.
3. The Debtors are authorized to provide the Payment, structured as quarterly credits against amounts owing by Intercat to Grace, as outlined in the Intercat Settlement Agreement.
4. The Debtors are authorized to take any reasonable action that is necessary to consummate the transactions contained in, or contemplated by, the Intercat Settlement.
5. This Order is effective immediately upon its entry.

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

6. The Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of this Order.

Dated: December , 2005

Dated: 1/10/2006
10:54:54

Judith K. Fitzgerald

The Honorable Judith K. Fitzgerald
United States Bankruptcy Judge

rmb